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PRADA S.p.A.

Via A. Fogazzaro n. 28, Milan, Italy
Registry of Companies of Milan, Italy: No. 10115350158
(Incorporated under the laws of Italy as a joint-stock company)
(Stock Code: 1913)

ANNOUNCEMENT OF THE CONSOLIDATED RESULTS FOR THE YEAR ENDED JANUARY 31, 2012

FINANCIAL HIGHLIGHTS

- Group's net revenues were Euro 2,555.6 million recording an increase of 24.9% compared with the year ended January 31, 2011
- Retail net sales were Euro 1,964.5 million, up by 37.6% compared with the year ended January 31, 2011
- the number of Directly Operated Stores (DOS) reached 388
- Retail like-for-like growth was 23% compared with the year ended January 31, 2011
- EBITDA was Euro 759.3 million (representing a margin of 29.7% on net revenues)
- Group's net income amounted Euro 431.9 million, an increase of 72.2% compared to Euro 250.8 million for the year ended January 31, 2011
- Positive net financial position at Euro 15.8 million as at January 31, 2012
- Net operating cash flow for the year was Euro 480.0 million
- 5 Euro/cents proposed dividend per share

Consolidated results for the year ended January 31, 2012

The Board of Directors (the "Board") of PRADA S.p.A. (the "Company") is pleased to announce the audited Consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended January 31, 2012 together with the audited comparative figures for the year ended January 31, 2011. The following financial information has been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union. The consolidated results of the Group for the year ended January 31, 2012 and January 31, 2011 have been audited by Deloitte & Touche spa.

Highlights for the year ended January 31, 2012

In 2011, the PRADA Group successfully pursued its strategy of growth on the worldwide luxury goods market, combining one of the highest sales growth in the sector with a further, significant increase in profitability. The expansion program has led to the opening of 75 new stores across 17 different countries, including Russia and the United Arab Emirates for the first time. In pursuit of these results, the Group has continued to invest in sustaining the prestige of its brands with traditional promotional activities and new projects and partnerships with the world of art, cinema and architecture: groundbreaking agreements have been reached with the *Conseil Economique*, *Social et Environnemental* to use the *Palais d'Iéna* in Paris and with the *Fondazione Musei Civici di Venezia* to organize art events at *Cà Corner della Regina*. The events organized in Paris, Shanghai, Los Angeles and Tokyo have received important international coverage that helped to communicate the unique nature of the products and the strong identity of the brands.

Consolidated net revenues for the year ended January 31, 2012 amounted to Euro 2,555.6 million, an increase of 24.9% compared to the figure of Euro 2,046.7 million recorded in prior year. Sales growth was driven by the retail channel which achieved 37.6% growth compared to the year ended January 31, 2011, thanks to the opening of new stores and like-for-like growth.

EBITDA for the year ended January 31, 2012 totaled Euro 759.3 million with an increase of 41.7% compared to the year ended January 31, 2011. Sales growth combined with the reduced incidence of operating expenses meant that EBITDA increased significantly as a percentage of net revenues, from 26.2% in last financial year to 29.7% in this year.

The consolidated income statement for the year ended January 31, 2012 reports Group's net income of Euro 431.9 million, 72.2% more than in the year ended January 31, 2011. Earnings per share improved from Euro 0.10 to Euro 0.17 per share.

June 24, 2011 saw the successful completion of an IPO that led to 19% of the shares in PRADA spa being listed on the Hong Kong Stock Exchange. The operation involved the sale of existing and newly issued shares and raised a net amount of Euro 206.6 million for the Group. The Prada Group IPO was the largest consumer goods IPO in the world during the year and, thanks to its innovative content, it received the prestigious IFR "*IPO of the Year*" *World Award* and the IFR "*IPO of the Year*" *Asia Pacific Markets*. Prada shares have been included in the FTSE Asia Pacific (ex Japan) index and, consequently, in the FTSE All World index, as well as in the S&P Global Luxury index.

Cash flows generated by the IPO and, above all, by ordinary activities enabled the Group not only to cover in full its investing activities for the year but, at January 31, 2012, to achieve a positive net financial position of Euro 15.8 million. At January 31, 2011, the Group had a negative net financial position of Euro 408.6 million.

Consolidated Income Statement for the year ended January 31, 2012

(amounts in thousands of Euro)	Note	year ended January 31 2012	%	year ended January 31 2011	%
Net revenues	3	2,555,606	100.0%	2,046,651	100.0%
Cost of goods sold		(727,581)	-28.5%	(658,763)	-32.2%
Gross margin		1,828,025	71.5%	1,387,888	67.8%
Operating expenses	4	(1,199,090)	-46.9%	(969,501)	-47.4%
EBIT		628,935	24.6%	418,387	20.4%
Interest and other financial income/(expenses), net	5	(26,027)	-1.0%	(30,158)	-1.5%
Income before taxes		602,908	23.6%	388,229	19.0%
Taxation	6	(166,483)	-6.5%	(134,678)	-6.6%
Net income for the year from continuing operations		436,425	17.1%	253,551	12.4%
Net income for the year from discontinued operations		-	-	-	-
Net income for the year		436,425	17.1%	253,551	12.4%
Net income from discontinued operations – non-controlling interests		-	-	-	-
Net income from continuing operations – non-controlling interests		4,496	0.2%	2,732	0.1%
Net income – non-controlling interests		4,496	0.2%	2,732	0.1%
Net income from discontinued operations – Group		-	-	-	-
Net income from continuing operations – Group		431,929	16.9%	250,819	12.3%
Net income - Group		431,929	16.9%	250,819	12.3%
Depreciation, amortization and impairment		130,317	5.1%	117,543	5.7%
EBITDA		759,252	29.7%	535,930	26.2%
Basic and diluted earnings per share (in Euro per share)	7	0.170		0.100	

Consolidated Statement of Financial Position for the year ended January 31, 2012

(amounts in thousands of Euro)	Note	January 31 2012	January 31 2011
Assets			
Current assets			
Cash and cash equivalents		362,284	96,572
Trade receivables, net	9	266,404	274,175
Inventories	8	374,782	280,409
Derivative financial instruments - current		894	7,379
Receivables from parent company - related parties		12,864	36,317
Other current assets		100,275	70,225
Assets held for sale		-	4,948
Total current assets		1,117,503	770,025
Non-current assets			
Property, plant and equipment	10	713,870	536,717
Intangible assets	10	863,526	869,119
Associated undertakings		15,631	1,753
Deferred tax assets		175,736	141,378
Other non-current assets		57,302	44,883
Derivative financial instruments - non current		-	2,140
Total non-current assets		1,826,065	1,595,990
Total Assets		2,943,568	2,366,015
Liabilities and Shareholders' equity			
Current liabilities			
Bank overdrafts and short-term loans		165,485	194,240
Payables to parent company - related parties		4,361	1,148
Other shareholders' loans		-	581
Trade payables	11	283,538	233,825
Current tax liabilities		117,770	107,592
Derivative financial instruments - current		15,200	5,279
Obligations under finance leases - current		1,453	5,019
Other current liabilities		128,777	111,482
Total current liabilities		716,584	659,166
Non-current liabilities			
Long-term financial payables		178,442	303,408
Obligations under finance leases non-current		1,100	2,509
Post-employment benefits		35,898	34,833
Provision for contingencies and commitments		56,921	52,725
Deferred tax liabilities		47,665	52,711
Other non-current liabilities		75,656	50,207
Derivative financial instruments non-current		335	318
Total non-current liabilities		396,017	496,711
Total Liabilities		1,112,601	1,155,877
Share capital		255,882	250,000
Other reserves		1,152,171	743,543
Translation reserve		(17,239)	(40,012)
Net profit for the year		431,929	250,819
Total Shareholders' Equity – Group		1,822,743	1,204,350
Shareholders' Equity – Non-controlling interests		8,224	5,788
Total Liabilities and Shareholders' Equity		2,943,568	2,366,015

Net current assets		400,919	110,859
Total assets less current liabilities		2,226,984	1,706,849

Statement of changes in the Group's Equity
(amounts in thousands of Euro, except for number of shares)

(amounts in thousands of Euro)	Number of shares	Share Capital	Share premium reserve	Translation reserve	Other reserves	Net profit	Share-holders' Equity - Group
Balance at February 1, 2010	**250,000,000**	**250,000**	**209,298**	**(45,671)**	**534,113**	**100,163**	**1,047,903**
Allocation of 2009 net profit	-	-	-	-	100,163	(100,163)	-
Dividends	-	-	-	-	(111,000)	-	(111,000)
Other movements	-	-	-	-	(4)	-	(4)
Transactions with non-controlling shareholders	-	-	-	-	1,134	-	1,134
Comprehensive income for the year	-	-	-	5,659	9,839	250,819	266,317
Balance at January 31, 2011	**250,000,000**	**250,000**	**209,298**	**(40,012)**	**534,245**	**250,819**	**1,204,350**
Allocation of 2010 net profit	-	-	-	-	250,819	(250,819)	-
Conversion of shares from Euro 1.0 to Euro 0.1	2,500,000,000	-	-	-	-	-	-
Issue of new shares	58,824,000	5,882	200,749	-	-	-	206,631
Dividends	-	-	-	-	(35,000)	-	(35,000)
Comprehensive income for the year	-	-	-	22,773	(7,940)	431,929	446,762
Balance at January 31, 2012	**2,558,824,000**	**255,882**	**410,047**	**(17,239)**	**742,124**	**431,929**	**1,822,743**

Under Italian law, the Company is required to allocate a portion of its net profit to non-distributable reserves and to provide additional information on the distribution of earnings for the period.

Statement of Consolidated Comprehensive Income

(amounts in thousands of Euro)	year ended January 31 2012	year ended January 31 2011
Net income for the period – Consolidated	436,425	253,551
Change in Translation reserve	23,204	5,608
Tax impact	-	-
Change in Translation reserve less tax impact	23,204	5,608
Change in Cash Flow Hedge reserve	(10,432)	8,814
Tax impact	2,795	(2,456)
Change in Cash Flow Hedge reserve less tax impact	(7,637)	6,358
Change in Actuarial reserve	(705)	4,553
Tax impact	443	(1,058)
Change in Actuarial reserve less tax impact	(262)	3,495
Change in Fair Value reserve	(77)	-
Tax impact	19	-
Change in Fair Value reserve less tax impact	(58)	-
Consolidated comprehensive income for the period	451,672	269,012
Comprehensive income for the period – Non-controlling Interests	4,910	2,695
Comprehensive income for the period - Group	446,762	266,317

Net Invested Capital

The following table contains the Statement of Financial Position adjusted in order to provide a better picture of the composition of Net Invested Capital.

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Non-current assets	1,826,065	1,595,990
Current assets excluding financial assets	753,809	634,462
Current liabilities excluding financial liabilities	546,072	459,047
Net working capital	207,737	175,415
Assets held for sale	-	4,948
Long-term liabilities, including deferred taxation	123,656	103,236
Post-employment benefits	35,898	34,833
Provisions for risks	56,921	52,725
Net invested capital	1,817,327	1,585,559
Shareholders' equity – Group	1,822,743	1,204,350
Shareholders' equity – Non Controlling Interests	8,224	5,788
Total consolidated shareholders' equity	1,830,968	1,210,138
Long term financial payables	179,542	305,917
Short term financial payables, net of cash and cash equivalents	(193,182)	69,504
Net financial position	(13,640)	375,421
Shareholders' equity and net financial payables	1,817,327	1,585,559

Net Financial Position

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Long term debt	178,442	303,408
Obligations under finance leases	1,100	2,509
Long term financial payables	179,542	305,917
Short term financial payables and bank overdrafts	165,485	194,240
Payables to parent company and related parties	3,574	281
Receivables from parent company and related parties	(1,411)	(34,044)
Obligations under finance leases	1,453	5,019
Payables to other shareholders	-	581
Cash and cash equivalents	(362,284)	(96,572)
Short term financial payables/(receivables), net of cash and cash equivalents	(193,183)	69,504
Total financial payables/(receivables), net	(13,641)	375,421
Total financial payables/(receivables), excluding receivables/payables with parent company and related parties and other shareholders	(15,804)	408,604
NFP/EBITDA ratio	n.a.	0.76
EBITDA/ net financial charges ratio	29.17	17.77

Summarized Statement of Consolidated Cash Flows

(amounts in thousands of Euro)	year ended January 31 2012	year ended January 31 2011
Net cash flows from operating activities	479,954	367,712
Cash flows generated (utilized) by investing activities	(257,147)	(191,606)
Cash flows generated (utilized) by financing activities	40,410	(169,266)
Change in cash and cash equivalents, net of bank overdrafts	263,217	6,840

Notes to the consolidated results for the year ended January 31, 2012

1. Presentation of PRADA Group

PRADA spa (the "Company"), together with its subsidiaries (jointly the "Group"), is a world leader in the design, production and distribution of luxury handbags, leather goods, footwear, apparel, accessories, eyewear, fragrances and mobile phones.

Through its Directly Operated Stores network (DOS) and a select number of independent customers, the Group operates on all major international markets.

The Company is a joint-stock company, registered and domiciled in Italy. Its registered office is in via Fogazzaro 28, Milan, Italy.

2. Basis of preparation

The Consolidated Financial Statements of the PRADA spa Group as of January 31, 2012, including the "Consolidated Statement of Financial Position", the "Consolidated Income Statement", the "Statement of Consolidated Comprehensive Income", the "Summarized Statement of Consolidated Cash Flows" and the "Statement of changes in the Group's Equity", have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union.

At the date of presentation of these Consolidated Financial Statements, there was no difference between IFRS as adopted by the European Union and applicable to the PRADA Group and those issued by the IASB.

"IFRS" also refers to all International Accounting Standards ("IAS") and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously called the Standing Interpretations Committee (SIC).

The Group has prepared the Consolidated Statement of Financial Position classifying separately current and non-current assets and liabilities. All the details needed for more complete information are provided in the Notes.

The Consolidated Income Statement is classified by destination.

Cash flow information is provided in the Summarized Statement of Consolidated Cash Flows which has been performed under the indirect method.

The Consolidated Financial Statements have been prepared on a going concern basis and are presented in Euro which is the functional currency of the Company.

3. Operating segment

IFRS 8 requires that detailed information be provided for each “operating segment” that makes up the business. An operating segment is intended as a business division whose operating results are regularly reviewed by top management so that they can make decisions about the resources to be allocated to the segment and assess its performance.

The Group’s matrix-based organizational structure - whereby responsibility is assigned cross-functionally in relation to brands, products, distribution channels and geographical areas, together with the complementary nature of the production processes of the various brands and the many relationships between the different business segments – means that operating segments that meet the IFRS 8 definition cannot be identified, as top management is only provided with income statement results on a Group wide level. For this reason, the business has been considered as a single operating segment as this better represents the specific characteristics of the PRADA Group business model.

Detailed information on net revenues by brand, geographical area, product and distribution channel is provided below. It is also reported in the Financial review where it is accompanied by further information on the Group’s operating results.

Net revenues analysis

(amounts in thousands of Euro)	year ended January 31 2012		year ended January 31 2011		% change
Net sales by geographical area					
Italy	445,611	17.6%	393,285	19.5%	13.3%
Europe	540,131	21.4%	450,463	22.3%	19.9%
Americas	392,677	15.6%	326,780	16.2%	20.2%
Asia Pacific	872,992	34.6%	613,803	30.4%	42.2%
Japan	256,693	10.2%	220,924	11.0%	16.2%
Other countries	15,226	0.6%	11,809	0.6%	28.9%
Total	2,523,330	100.0%	2,017,064	100.0%	25.1%
Net sales by brand					
Prada	1,999,345	79.2%	1,586,840	78.7%	26.0%
Miu Miu	441,054	17.5%	353,038	17.5%	24.9%
Church's	59,224	2.3%	53,028	2.6%	11.7%
Car shoe	17,039	0.7%	17,935	0.9%	-5.0%
Other	6,668	0.3%	6,223	0.3%	7.2%
Total	2,523,330	100.0%	2,017,064	100.0%	25.1%
Net sales by product line					
Clothing	512,585	20.3%	483,564	24.0%	6.0%
Leather goods	1,426,537	56.5%	1,013,877	50.3%	40.7%
Footwear	560,108	22.2%	503,120	24.9%	11.3%
Other	24,100	1.0%	16,503	0.8%	46.0%
Total	2,523,330	100.0%	2,017,064	100.0%	25.1%
Net sales by distribution channel					
DOS (including outlet stores)	1,964,499	77.9%	1,427,356	70.8%	37.6%
Independent customers, franchises and related parties	558,831	22.1%	589,708	29.2%	-5.2%
Total	2,523,330	100.0%	2,017,064	100.0%	25.1%
Net sales	2,523,330	98.7%	2,017,064	98.6%	25.1%
Royalties	32,276	1.3%	29,587	1.4%	9.1%
Total net revenues	2,555,606	100.0%	2,046,651	100.0%	24.9%

Prada brand sales

(amounts in thousands of Euro)	year ended January 31 2012		year ended January 31 2011		% change
Net sales by geographical area					
Italy	349,852	17.5%	302,025	19.0%	15.8%
Europe	411,552	20.6%	341,544	21.5%	20.5%
Americas	334,469	16.7%	281,178	17.7%	19.0%
Asia Pacific	710,157	35.5%	496,156	31.3%	43.1%
Japan	181,720	9.1%	157,061	9.9%	15.7%
Other countries	11,595	0.6%	8,876	0.6%	30.6%
Total	1,999,345	100.0%	1,586,840	100.0%	26.0%
Net sales by product line					
Clothing	434,461	21.7%	419,464	26.4%	3.6%
Leather goods	1,141,097	57.1%	786,244	49.6%	45.1%
Footwear	402,348	20.1%	366,392	23.1%	9.8%
Other	21,439	1.1%	14,740	0.9%	45.4%
Total	1,999,345	100.0%	1,586,840	100.0%	26.0%
Net sales by distribution channel					
DOS (including outlet stores)	1,562,233	78.1%	1,119,962	70.6%	39.5%
Independent customers, franchises and related parties	437,112	21.9%	466,878	29.4%	-6.4%
Total	1,999,345	100.0%	1,586,840	100.0%	26.0%
Net sales	1,999,345	98.5%	1,586,840	98.3%	26.0%
Royalties	31,341	1.5%	27,914	1.7%	12.3%
Total net revenues	2,030,686	100.0%	1,614,754	100.0%	25.8%

Miu Miu brand sales

(amounts in thousands of Euro)	year ended January 31 2012		year ended January 31 2011		% change
Net sales by geographical area					
Italy	67,103	15.2%	61,337	17.4%	9.4%
Europe	86,178	19.5%	70,137	19.9%	22.9%
Americas	54,915	12.5%	43,190	12.2%	27.1%
Asia Pacific	155,841	35.3%	112,722	31.9%	38.3%
Japan	73,918	16.8%	63,341	17.9%	16.7%
Other countries	3,099	0.7%	2,311	0.7%	34.1%
Total	441,054	100.0%	353,038	100.0%	24.9%
Net sales by product line					
Clothing	77,251	17.5%	63,258	17.9%	22.1%
Leather goods	282,033	64.0%	224,337	63.6%	25.7%
Footwear	79,109	17.9%	63,681	18.0%	24.2%
Other	2,661	0.6%	1,762	0.5%	51.0%
Total	441,054	100.0%	353,038	100.0%	24.9%
Net sales by distribution channel					
DOS (including outlet stores)	354,227	80.3%	264,375	74.9%	34.0%
Independent customers, franchises and related parties	86,827	19.7%	88,663	25.1%	-2.1%
Total	441,054	100.0%	353,038	100.0%	24.9%
Net sales	441,054	99.8%	353,038	99.6%	24.9%
Royalties	828	0.2%	1,458	0.4%	-43.2%
Total net revenues	441,882	100.0%	354,496	100.0%	24.7%

Church's brand sales

(amounts in thousands of Euro)	year ended January 31 2012		year ended January 31 2011		% change
Net sales by geographical area					
Italy	16,509	27.9%	15,307	28.9%	7.9%
Europe	34,271	57.9%	31,435	59.3%	9.0%
Americas	2,402	4.0%	1,966	3.7%	22.2%
Asia Pacific	4,789	8.1%	3,622	6.8%	32.2%
Japan	1,052	1.8%	511	0.9%	105.9%
Other countries	201	0.3%	187	0.4%	7.5%
Total	59,224	100.0%	53,028	100.0%	11.7%
Net sales by product line					
Clothing	762	1.3%	551	1.0%	38.3%
Leather goods	1,702	2.9%	1,432	2.7%	18.9%
Footwear	56,760	95.8%	51,045	96.3%	11.2%
Total	59,224	100.0%	53,028	100.0%	11.7%
Net sales by distribution channel					
DOS (including outlet stores)	38,346	64.7%	34,683	65.4%	10.6%
Independent customers, franchises and related parties	20,878	35.3%	18,345	34.6%	13.8%
Total	59,224	100.0%	53,028	100.0%	11.7%
Net sales	59,224	99.8%	53,028	99.8%	11.7%
Royalties	107	0.2%	101	0.2%	5.9%
Total net revenues	59,331	100.0%	53,129	100.0%	11.7%

Car Shoe brand sales

(amounts in thousands of Euro)	year ended January 31 2012		year ended January 31 2011		var. %
Net sales by geographical area					
Italy	10,294	60.4%	12,509	69.7%	-17.7%
Europe	3,383	19.9%	3,353	18.7%	0.9%
Americas	857	5.0%	353	2.0%	142.8%
Asia Pacific	2,174	12.8%	1,275	7.1%	70.5%
Japan	-	0.0%	11	0.1%	-100.0%
Other countries	331	1.9%	434	2.4%	-23.7%
Total	17,039	100.0%	17,935	100.0%	-5.0%
Net sales by product line					
Leather goods	1,658	9.7%	1,760	9.8%	-5.8%
Footwear	15,381	90.3%	16,175	90.2%	-4.9%
Total	17,039	100.0%	17,935	100.0%	-5.0%
Net sales by distribution channel					
DOS (including outlet stores)	7,747	45.5%	6,027	33.6%	28.5%
Independent customers, franchises and related parties	9,292	54.5%	11,908	66.4%	-22.0%
Total	17,039	100.0%	17,935	100.0%	-5.0%
Net sales	17,039	100.0%	17,935	100.0%	-5.0%
Total net revenues	17,039	100.0%	17,935	100.0%	-5.0%

Number of stores

	At January 31, 2012		At January 31, 2011	
	Owned	Franchises	Owned	Franchises
Prada	245	20	207	27
Miu Miu	94	6	71	6
Car Shoe	6	-	5	-
Church's	43	-	36	-
Total	388	26	319	33

	At January 31, 2012		At January 31, 2011	
	Owned	Franchises	Owned	Franchises
Italy	44	5	37	5
Europe	115	6	88	13
Americas	47	1	34	-
Asia Pacific	115	14	104	13
Japan	65	-	56	-
Middle East	2	-	-	2
Total	388	26	319	33

4. Operating Expenses

(Amounts in thousands of Euro)	year ended January 31 2012	% of net revenues	year ended January 31 2011	% of net revenues
Product design and development costs	103,120	4.0%	97,164	4.7%
Advertising and communications costs	129,184	5.1%	85,119	4.2%
Selling costs	802,770	31.4%	642,507	31.4%
General and administrative costs	164,016	6.4%	144,711	7.1%
Total	1,199,090	46.9%	969,501	47.4%

5. Interest and other financial expenses, net

(amounts in thousands of Euro)	year ended January 31 2012	year ended January 31 2011
Interests expenses on borrowings	(16,843)	(18,002)
Interest income	2,689	1,306
Exchange gains / (losses) – realized	(1,158)	(5,318)
Exchange gains/ (losses) – unrealized	(6,116)	657
Other financial income / (expenses)	(4,599)	(4,580)
Revaluations (write-down) of investments	-	(4,221)
Total	(26,027)	(30,158)

6. Taxation

(amounts in thousands of Euro)	year ended January 31 2012	year ended January 31 2011
Current taxation	194,805	166,810
Deferred taxation	(28,322)	(32,132)
Income taxes	166,483	134,678

7. Earnings and dividends per share

Earnings per share

Earnings per share are calculated by dividing the net income attributable to shareholders by the weighted average number of ordinary shares in issue.

	year ended January 31 2012	year ended January 31 2011
Group net income in Euro	431,928,921	250,818,884
Weighted average number of ordinary shares in issue	2,535,777,885	2,500,000,000
Earnings per share in Euro, calculated on weighted average number of shares	0.170	0.100

On May 26, 2011, a Shareholders' Meeting of PRADA spa resolved to change the par value of the Company's shares from Euro 1 to Euro 0.1 each. In accordance with IAS 33, the number of shares in issue in 2010 was retrospectively adjusted for the purposes of the calculation of earnings per share.

Dividends per share

During the year ended January 31, 2012, the Company distributed dividends of Euro 35 million as approved by the Shareholders' Meeting held on March 28, 2011 to approve the Financial Statements for the year ended January 31, 2011. Some Euro 32.5 million of the dividend liability arising was offset against receivables due from parent company PRADA Holding bv while the remaining amount was paid in April 2011.

During the year ended January 31, 2011, the Company distributed dividends totaling Euro 80 million as approved by the Shareholders' Meeting held on April 28, 2010 to approve the Financial Statements for the year ended January 31, 2010. Some Euro 52.1 million of the dividend liability arising was offset against receivables due from parent company PRADA Holding bv while the remaining amount was paid on July 27, 2010. On January 27, 2011, a Shareholders' Meeting approved a further dividend distribution of Euro 31 million and it was paid in full the same day.

8. Inventories

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Raw materials	66,575	63,672
Work in progress	17,187	17,186
Finished products	360,379	263,341
Allowance for obsolete and slow moving inventories	(69,359)	(63,790)
Total	374,782	280,409

The increase in inventories of finished products is consistent with the higher volume of production necessary to supply the expanded DOS network as well as with the growth of the business in general.

Movements on the allowance for obsolete and slow moving inventories are analyzed as follows:

(amounts in thousands of Euro)	Raw materials	Finished Products	Total
Balance at January 31, 2011	31,622	32,168	63,790
Exchange differences	1	21	22
Increases	131	7,233	7,364
Decreases	(2,000)	-	(2,000)
Other movements	-	183	183
Balance at January 31, 2012	29,754	39,605	69,359

9. Trade receivables, net

The Group manages the credit risk and reduces its negative effects through its commercial and financial strategy. Credit risk management is performed by controlling and monitoring the reliability and solvency of customers and is carried out by the Group's Commercial Department.

At the same time, the fact that the total receivables balance is not highly concentrated on individual customers and the fact that net sales are evenly spread around the world lead to a reduced risk of financial losses.

Trade receivables are detailed as follows:

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Trade receivables – third parties	247,577	255,455
Trade receivables – associated companies	-	1,924
Trade receivables – related parties	18,827	16,796
Total	266,404	274,175

The decrease in trade receivables is mainly due to the selective policy adopted for sales to independent customers and to the delayed shipment of products towards the end of the year, mainly because of particularly bad weather in Italy and ongoing industrial action by road freight transporters.

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Third parties trade receivables, gross	259,258	266,376
Allowance for bad and doubtful debts	(11,681)	(10,537)
Total third parties trade receivables, net	247,577	255,839

The allowance for doubtful debts was determined on a specific basis considering all information available at the date the financial statements were prepared. It is revised periodically to bring receivables as close as possible to their fair value.

Movements during the period may be analyzed as follows:

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Opening balance	10,537	11,308
Exchange differences	198	204
Increase	2,369	1,345
Utilized	(866)	(2,069)
Reversals	(557)	(251)
Closing balance	11,681	10,537

The following table contains a summary of total receivables before the allowance for doubtful debts at the reporting date:

(amounts in thousands of Euro)	January 31 2012	Current	Overdue (days)				
			1 < 30	31 < 60	61 < 90	91 < 120	> 120
Trade receivables	278,085	226,300	18,991	12,096	5,031	2,167	13,500
Total	278,085	226,300	18,991	12,096	5,031	2,167	13,500

(amounts in thousands of Euro)	January 31 2011	Current	Overdue (days)				
			1 < 30	31 < 60	61 < 90	91 < 120	> 120
Trade receivables	284,713	238,248	18,543	7,438	4,176	342	15,966
Total	284,713	238,248	18,543	7,438	4,176	342	15,966

The following table contains a summary, by due date, of trade receivables less the allowance for doubtful accounts at the reporting date:

(amounts in thousands of Euro)	January 31 2012	Current	Overdue (days)				
			1 < 30	31 < 60	61 < 90	91 < 120	> 120
Trade receivables less allowance for doubtful accounts	266,404	225,313	18,944	12,056	4,864	2,044	3,183
Total	266,404	225,313	18,944	12,056	4,864	2,044	3,183

(amounts in thousands of Euro)	January 31 2011	Current	Overdue				
			1 < 30	31 < 60	61 < 90	91 < 120	> 120
Trade receivables less allowance for doubtful accounts	274,175	237,819	18,463	7,390	4,083	239	6,181
Total	274,175	237,819	18,463	7,390	4,083	239	6,181

10. Capital expenditure

Changes in the net book value of “Property, plant and equipment” in the year ended January 31, 2012 are as follows:

(amounts in thousands of Euro)	Land and buildings	Production plant and machinery	Leasehold improve-ments	Furniture & fittings	Other tangible	Assets under construction	Total net book value
Balance at January 31, 2010	106,458	13,520	160,747	56,204	19,420	61,616	417,965
Additions	10,479	7,609	83,165	26,437	11,930	58,446	198,066
Depreciation	(4,295)	(6,319)	(49,923)	(15,861)	(6,646)	-	(83,044)
Disposals	-	(128)	(85)	(169)	(56)	(309)	(747)
Exchange differences	1,122	7	5,814	1,880	144	2,195	11,162
Other movements	31,838	353	24,115	3,889	(92)	(60,710)	(607)
Impairment	-	-	(3,721)	(271)	(5)	(2,081)	(6,078)
Balance at January 31, 2011	145,602	15,042	220,112	72,109	24,695	59,157	536,717
Additions	40,806	7,030	110,797	29,329	18,825	51,820	258,607
Depreciation	(5,055)	(6,635)	(62,899)	(18,691)	(5,850)	-	(99,130)
Disposals	-	(4)	(61)	(183)	(63)	(15)	(326)
Exchange differences	1,443	28	14,637	2,405	325	3,501	22,339
Other movements	288	15	24,011	3,885	2,091	(30,627)	(337)
Impairment	-	-	(2,273)	(470)	(41)	(1,216)	(4,000)
Balance at January 31, 2012	183,084	15,476	304,324	88,384	39,982	82,620	713,870

Changes in the net book value of "Intangible assets" in the year ended January 31, 2012 are as follows:

(amounts in thousands of Euro)	Trade-marks	Goodwill	Store Lease Acquisitions	Software	Development costs	Assets in progress	Total net book value
Balance at January 31, 2010	328,154	503,889	42,452	5,764	12,244	816	893,319
Additions	184	-	1,529	3,339	1,599	2,143	8,794
Amortization	(11,110)	-	(8,358)	(2,955)	(5,987)	-	(28,410)
Disposals	-	-	-	(2)	-	(3)	(5)
Exchange differences	(4,769)	57	183	23	-	19	(4,487)
Other movements	1	-	281	216	23	(603)	(82)
Impairment	-	-	-	-	(10)	-	(10)
Balance at January 31, 2011	312,460	503,946	36,087	6,385	7,869	2,372	869,119
Additions	166	-	14,393	4,178	128	1,384	20,249
Amortization	(11,025)	-	(8,354)	(3,067)	(4,726)	-	(27,172)
Disposals	-	-	-	(4)	(1)	-	(5)
Exchange differences	1,707	274	358	16	-	12	2,367
Other movements	-	-	190	1,071	-	(2,278)	(1,017)
Impairment	-	-	-	(1)	-	(14)	(15)
Balance at January 31, 2012	303,308	504,220	42,674	8,578	3,270	1,476	863,526

11. Trade payables

(amounts in thousands of Euro)	January 31 2012	January 31 2011
Trade payables – third parties	280,808	231,128
Trade payables – related parties	2,730	2,675
Trade payables – associated companies	-	22
Total	283,538	233,825

The increase in trade payables is due to the growth of the Group business in general.

The following table summarizes trade payables by maturity date.

(amounts in thousands of Euro)	January 31 2012	Current	Overdue 1 < 30	31 < 60	61 < 90	91 < 120	> 120
Trade payables	283,538	251,483	17,392	5,507	2,553	2,131	4,472
Total	283,538	251,483	17,392	5,507	2,553	2,131	4,472

(amounts in thousands of Euro)	January 31 2011	Current	Overdue 1 < 30	31 < 60	61 < 90	91 < 120	> 120
Trade payables	233,825	210,700	9,450	4,086	2,557	1,731	5,301
Total	233,825	210,700	9,450	4,086	2,557	1,731	5,301

Management Discussion and Analysis for the year ended January 31, 2012

Net revenues

Consolidated net revenues for the year ended January 31, 2012 amounted to Euro 2,555.6 million, 24.9% higher than the Euro 2,046.7 million recorded in the year ended January 31, 2011. At constant exchange rates, there was a 26.4% increase.

Distribution channels

Net sales generated by the retail channel, amounting to Euro 1,964.5 million, increased by 37.6% compared to prior year (+39.2% at constant exchange rates). The exceptional growth achieved confirms the determination shown by the Group during the year in pursuing its expansion program with the opening of 75 new DOS. The growth achieved is all the more impressive if analyzed at constant exchange rates and assuming the same number of stores: in fact, like-for-like growth amounted to 23% and was steady throughout the year.

In contrast, the wholesale channel showed a 5.2% decrease in net sales compared to prior year. This decrease essentially regarded the Italian and European markets as the Group continued to be more selective about its authorized accounts and relevant deliveries, and because of a different pattern of shipments due to the particularly bad weather in Italy at the end of the year and the accompanying industrial action by hauliers that caused some delays. At constant exchange rates, the decrease was slightly smaller (-3.9%).

As a result of the above factors, the contribution by the retail channel towards total net sales rose from 70.8% to 77.9%.

Markets

For the third consecutive year, the Asia Pacific market was confirmed as leader both in absolute terms and for growth: it generated net revenues of Euro 873 million in the year ended January 31, 2012, a 42.2% increase compared to the year ended January 31, 2011 (+45.1% at constant exchange rates, +33% like-for-like). Its contribution to consolidated net revenues rose from 30.4% to 34.6%.

Net sales on the Asia Pacific market were generated almost entirely by the retail network (+45% compared with the year ended January 31, 2011, +48% at constant exchange rates and +33% like-for-like) which included some 115 stores in Asia Pacific as at January 31, 2012. The Greater China area (China, Hong Kong and Macau) achieved the highest like-for-like growth of 40%. Eight of the eighteen new DOS opened on the Asia Pacific market are located in China.

Net sales on the European market amounted to Euro 540.1 million, 19.9% more than in the year ended January 31, 2011 (+20.5% at constant exchange rates). The outstanding growth achieved by the DOS (+43%, +44% at constant exchange rates, +19% like-for-like) was offset partially by a decrease in the wholesale channel compared to the year ended January 31, 2011. The 28 new stores opened during the year included the first nine shops in Moscow.

The Italian market generated total sales of Euro 445.6 million, 13.3% more than in the year ended January 31, 2011. As for the rest of the European market, the excellent growth achieved in the retail channel (+45%, +28% like-for-like) contrasts with the reduction in sales in the wholesale channel. The Group's strategic interest in further developing the domestic market led to the opening of seven new DOS, among which the first in Padova and Palermo.

The North American market has continued to grow. Since the first half of the year, both the retail channel and the wholesale channel have shown excellent results. For the whole year, the retail channel grew by 25% (+32% at constant exchange rates) while the wholesale channel increased by 12% (+17% at constant exchange rates). Growth in the retail channel was driven by both existing stores (16% like-for-like growth) and newly opened stores (8 new stores were opened in 2011). The consumer spending recovery in USA was the fundamental reason for increased sales through department stores.

In Japan, net sales totaled Euro 256.7 million with excellent growth of 16.2%, also at constant exchange rates (+11.9%) and assuming the same number of stores (like-for-like growth +1%). These results confirm the solid, resistant nature of the Japanese market notwithstanding the dramatic events of March 2011 which affected the state of an economy already stagnant. The importance of Japan to the PRADA Group is confirmed by the retail expansion program which has seen a further increase from 56 to 65 DOS in the country. The new Miu Miu flagship store in the Ginza Echigoya district of Tokyo, one of the world's most exclusive shopping areas, stands out among the newly opened stores.

Following the rationalization of the distribution network in the Middle East, the Other Countries area has seen its net sales increase by 29% to Euro 15.2 million. In 2011, the Group opened its first two stores in Dubai, United Arab Emirates.

Products

The increase in net sales was achieved in all product segments. Leather goods recorded the highest growth of 40.7% (+42.3% at constant exchange rates), mainly thanks to the higher incidence of the retail channel and the confirmed appeal of these products to Asian consumers. Clothing was affected by the decline in the wholesale channel but achieved a recovery in the second half of the year, compared to the first half of the year, and ended with a 6% increase compared with the year ended January 31, 2011 (+7.3% at constant exchange rates).

Brands

The Prada brand achieved stronger sales growth than the other brands compared to the year ended January 31, 2011 (+26%), increasing its contribution towards net sales from 78.7% to 79.2%. This sales performance largely reflects the excellent results already described at Group level. Among the successful collections presented, we would highlight the sensation caused by the Prada Woman S/S 2011 collection which was memorable also for its colorful advertising campaign.

The Prada brand was followed by Miu Miu which contributed 17.5% of the Group's net revenues, ending the year 2011 with growth of 24.9% (+26.1% at constant exchange rates). The American market confirmed its great appreciation for this brand and sales there increased by 27.1% compared to the year ended January 31, 2011. In April 2011, Miu Miu also launched its new e-store, confirming its *avant-garde* spirit.

The Church's brand once again achieved double figure growth, driven by both the retail channel (+11.4% at constant exchange rates) and the wholesale channel (+14.7% at constant exchange rates). During the year, the first Church's store wholly dedicated to the Women's collection was opened on New Bond Street, London.

Despite expansion in the retail channel (one new DOS was opened in London in 2011), Car Shoe suffered from a decrease in the wholesale channel, partially because of the aforementioned late shipments occurred at year-end and also because of a different planning in deliveries according to customers' needs. The brand's total sales fell by 5% compared to the year ended January 31, 2011.

Royalties

The licensed products business contributed net revenues of Euro 32.3 million (Euro 29.6 million in the year ended January 31, 2011). The increased royalties income compared to the year ended January 31, 2011 was due – as well as to higher sales of eyewear and fragrances – to a new licensing agreement signed with Korean car manufacturer Hyundai for the sale of a limited edition version of its Genesis model. The decline in Miu Miu royalties income registered up to the end of the third quarter of 2011 was reversed in the final quarter of the year with the launch of a new eyewear collection.

Operating results

EBITDA for the 2011 financial year amounted to Euro 759.3 million, 41.7% more than in the 2010 financial year, while rising from 26.2% to 29.7% of net revenues. The increased profitability was largely due to the excellent results in terms of gross margin which, in turn, benefited from a more favorable mix of sales in terms of distribution channel, geographical area and product. The economies of scale achieved in relation to fixed costs were partially absorbed by increased spending on media space.

Operating costs increased from Euro 969.5 million in the year ended January 31, 2011 to Euro 1,199.1 million in the year ended January 31, 2012. They decreased from 47.4% of net revenues in 2010 to 46.9% in 2011 (decrease almost unchanged at constant exchange rates). Product design and development costs increased slightly compared to the year ended January 31, 2011. They include both the design phase – i.e. research and testing of shapes, fabrics, leather and production techniques plus definition of the design concept - and the product development phase, involving planning of products, production of prototypes and manufacture of the products themselves. The increase in advertising and communications costs is essentially due to higher media advertising and events expenses. Selling costs increased from Euro 642.5 million in the year ended January 31, 2011 to Euro 802.8 million in the year ended January 31, 2012. They remained unchanged at 31.4% of net revenues notwithstanding the opening of 46 new DOS in the second half of the year 2011 out of a total of 75 new DOS opened in the year as a whole. In order to provide further information on the income statement structure, we note that operating expenses include depreciation, amortization and impairment adjustments for both property, plant and equipment and intangible assets for a total amount of Euro 121.3 million (Euro 109.5 million in the year ended January 31, 2011), personnel costs of Euro 362.8 million (Euro 303.5 million in the year ended January 31, 2011), fixed rent of Euro 170.1 million (Euro 148.8 million in the year ended January 31, 2011) and variable rent of Euro 187.9 million (Euro 140.5 million in the year ended January 31, 2011).

The improvement in EBIT, from 20.4% in the year ended January 31, 2011 to 24.6% of net revenues in the year ended January 31, 2012, also benefited from the fact that depreciation and amortization charges increased by less than net revenues.

Net financial expenses have decreased by Euro 4.1 million compared to prior year. The cost of bank borrowing has fallen compared to year ended January 31, 2011. The benefit resulting from the lower level of borrowing was partially offset by a shift in the borrowing mix towards medium and long-term debt compared to prior year. Moreover, the repayment of short-term Euro borrowing shielded the Group from the impact of the higher spreads seen mainly in the short-term portion of the interest rate curve. The increase in interest income essentially relates to the deployment of liquidity which was generally higher than in the year ended January 31, 2011, mainly thanks to the proceeds from the IPO. The write-down of investments recorded in 2010 reflects the fair value measurement of the Fragrance & Skincare sl joint-venture which was classified as an asset held for sale at January 31, 2011.

The income statement reports net income for the Group of Euro 431.9 million (Euro 250.8 million in the year ended January 31, 2011). The lower tax charge for the year, essentially because of accruals for tax disputes recorded in 2010, has led to net income of 16.9% of net revenues with an exceptional increase of 72.2% compared to the year ended January 31, 2011.

Notwithstanding the share capital increase subscribed in relation to the IPO on Hong Kong Stock Exchange, earnings per share have increased from Euro 0.10 to Euro 0.17 per share.

Net Invested Capital

At January 31, 2012, net invested capital stood at Euro 1,817.3 million. It had a similar breakdown at all three reporting dates analyzed. The additional value generated during 2011 was largely attributable to investments made in relation to the Group's expansion program.

The share capital increase subscribed in 2011, as a result of the IPO completed on June 24, 2011, and, above all, the outstanding operating and financial results achieved in recent years, have formed the basis for the Group's solid balance sheet structure. At January 31, 2012, the Group reported net cash and cash equivalents of Euro 13.6 million while Group Shareholders' Equity stood at Euro 1,822.7 million.

Analysis of Net Operating Working Capital

The increase in net operating working capital is due to the higher volume of business. The reduction in the wholesale business is reflected in the lower level of trade receivables.

Net Financial Position

The Group's net financial position has seen a longstanding balance of net indebtedness transformed into a positive net financial position at January 31, 2012.

Cash flows generated by operating activities and the share capital increase have enabled the Group not only to finance its major capital investment program (Euro 257.2 million), pay dividends (Euro 6.4 million) and repay debt falling due (Euro 156.8 million) but, above all, to accumulate sufficient liquidity to enable it to report a positive net financial position of Euro 15.8 million at January 31, 2012.

Given the current state of volatility and uncertainty on bank borrowing markets, in particular, management believes that this position of liquidity will assure the Group sufficient financial flexibility, also in view of planned dividend payments and the major investment program planned for 2012.

Analysis of capital expenditure

The increase in property, plant and equipment is largely due to capital expenditure for the year (Euro 278.9 million) and the effect of translation into Euro (Euro 24.7 million) less depreciation and amortization (Euro 126.3 million) and impairment adjustments (Euro 4.0 million). The Group's capital expenditure for the year was allocated as follows: Euro 191.2 million in the retail area, Euro 57.8 million in the production and logistics area and Euro 29.9 million in the corporate area.

Outlook for 2012

The results reported for the year ended January 31, 2012 confirm the Group's ability to achieve strong growth while continuing to become more profitable.

In 2012, the absolute importance of the strategy centered on the retail channel will be confirmed both by seeking continually to improve existing stores and through another major program to open new stores, mainly in fast growing markets and markets new to the Group (Brazil, UAE, Morocco, Ukraine). The program of new store openings will also extend to more mature markets where there is an increasingly significant flow of foreign travelers.

The Group will continue to be committed to stylistic innovation and to quality products, communications and distribution. It will draw on the prestige of its brands to achieve continued high growth rates in a medium/long term context that is still positive for the luxury goods sector.

Nonetheless, the current macroeconomic environment is still characterized by uncertainty and volatility which, especially in the short term, could have negative repercussions for performance on certain markets. In light of this situation, as in the past, the Group will maintain adequate control over the use of resources and ensure that it is flexible enough to be able to react to possible changes in the situation. This will ensure it preserves its ability to generate cash and to continue with its investment program.

Corporate governance practices

The Company is committed to maintaining a high standard of corporate governance practices and fulfilling its commitment to effective corporate governance. The corporate governance model adopted by the Company consists of a set of rules and standards with the aim of establishing efficient and transparent operations within the Group, to protect the rights of the Company's shareholders and to enhance shareholder value. The corporate governance model adopted by the Company is in compliance with the applicable regulations in Italy, as well as the principles of the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Audit Committee

The Company has established an Audit Committee in compliance with Rule 3.21 of the Listing Rules where at least one member possesses appropriate professional qualifications in accounting or related financial management expertise in discharging the responsibility of the Audit Committee. The membership of the Audit Committee consists of three Independent Non-executive Directors, namely, Mr. Gian Franco Oliviero Mattei (Chairman), Mr. Giancarlo Forestieri and Mr. Sing Cheong Liu. The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Company's financial reporting process, internal control and risk management system, to oversee the external audit process and the internal audit process carried out by the internal audit department of the Company and to perform other duties and responsibilities as are assigned to the audit committee by the Board.

The Audit Committee has held a meeting on March 29, 2012 to review the annual results for the year ended January 31, 2012 before recommending it to the Board for approval.

Compliance with the Code on Corporate Governance Practices

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company's corporate governance practices have complied with the code provisions set out in the Code during the period from the time of its listing on June 24, 2011 to January 31, 2012 (the "Review Period").

Directors' securities transactions

The Company has adopted written procedures governing Directors' securities transactions on terms no less exacting than the standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. Specific written confirmations have been obtained from each Director to confirm compliance with the Model Code throughout the Review Period. There was no incident of non-compliance during the Review Period.

The Group has also adopted written procedures governing securities transactions carried out by the relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group. The terms of these procedures are no less exacting than the standard set out in the Model Code.

Purchase, sale or redemption of the Company's listed securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Review Period.

Annual General Meeting

The Annual General Meeting of the Company will be held on Tuesday, May 22, 2012.
Notice of the Annual General Meeting will be published on the Company's website at www.pradagroup.com and on the Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk in due course.

Final dividend

The Board recommends a final dividend of 5 Euro/cents per share. The payments shall be made in Euro to the shareholders recorded on the Company's shareholder register held at the Company's registered office in Milan (Italy) and in Hong Kong dollars to the shareholders recorded in the shareholders register held in Hong Kong. The relevant exchange rate will be the opening buying T/T rate of Hong Kong dollars to Euros as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on the day of approval of the dividend by the shareholders.

Subject to the shareholders approving the recommended final dividend, such dividend will be payable on or about Tuesday, July 3, 2012.

Closure of register of members

In order to qualify for attending and voting at the annual general meeting of the Company, all transfers accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, May 17, 2012. The shareholders register of the Company will be closed from Friday, May 18, 2012 to Tuesday, May 22, 2012, both days inclusive, during which no share transfer can be registered. The shareholders registered on the Company's shareholder register on Tuesday, May 22, 2012 will be allowed to attend and vote at the annual general meeting of the Company.

In order to qualify for the payment of the proposed final dividend, all transfers accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on

Monday, May 28, 2012. The shareholders register of the Company will be closed from Tuesday, May 29, 2012 to Wednesday, May 30, 2012 both days inclusive, during which no share transfer can be registered. The final dividend will be paid to shareholders recorded on the Company's shareholder register on Wednesday, May 30, 2012.

Publication of Annual Results Announcement and Annual Report

This Annual Results Announcement is published on the Company's website at www.pradagroup.com and on the Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk. The annual report will be published on the same websites and dispatched to shareholders in due course.

By Order of the Board
PRADA S.p.A.
Mr. Carlo Mazzi
Deputy Chairman

Milan (Italy), March 29, 2012

As at the date of this announcement, the Company's executive directors are Ms. Miuccia PRADA BIANCHI, Mr. Patrizio BERTELLI, Mr. Carlo MAZZI and Mr. Donatello GALLI; the Company's non-executive directors are Mr. Marco SALOMONI and Mr. Gaetano MICCICHÈ and the Company's independent non-executive directors are Mr. Gian Franco Oliviero MATTEI, Mr. Giancarlo FORESTIERI and Mr. Sing Cheong LIU.